

HOUSE BILL NO. 1300

Introduced by

Representatives Louser, D. Anderson, Fisher, Nelson

Senator Burckhard

1 A BILL for an Act to amend and reenact section 57-15-16 of the North Dakota Century Code,
2 relating to a building fund mill levy without voter approval for school buildings of a certain age.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 57-15-16 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **57-15-16. Tax levy for building fund in school districts.**

7 1. The governing body of any school district shall levy taxes annually for a school
8 building fund, not in excess of twenty mills, which levy is in addition to and not
9 restricted by the levy limitations prescribed by law, when authorized to do so by sixty
10 percent of the qualified electors voting upon the question at a regular or special
11 election in any school district, except the levy authorized under subsection 3. The
12 governing body of the school district may create the building fund by appropriating and
13 setting up in its budget for an amount not in excess of twenty percent of the current
14 annual appropriation for all other purposes combined, exclusive of appropriations to
15 pay interest and principal of the bonded debt, and not in excess of the limitations
16 prescribed by law. If a portion or all of the proceeds of the levy have been allocated by
17 contract to the payment of rentals upon contracts with the state board of public school
18 education as administrator of the state school construction fund, the levy must be
19 made annually by the governing body of the school district until the full amount of all
20 such obligations is fully paid. Any portion of a levy for a school building fund which has
21 not been allocated by contract with the state board of public school education must be
22 allocated by the governing body pursuant to section 57-15-17. Upon the completion of
23 all payments to the state school construction fund, or upon payment and cancellation
24 or defeasance of the bonds, the levy may be discontinued at the discretion of the

1 governing body of the school district, or upon petition of twenty percent of the qualified
2 electors who voted in the last school election, the question of discontinuance of the
3 levy must be submitted to the qualified electors of the school district at any regular or
4 special election and, upon a favorable vote of sixty percent of the qualified electors
5 voting, the levy must be discontinued. Any school district, executing a contract or lease
6 with the state board of public school education or issuing general obligation bonds,
7 which contract or lease or bond issue requires the maintenance of the levy provided in
8 this section, shall immediately file a certified copy of the contract, lease, or bond issue
9 with the county auditor or auditors of the county or counties in which the school district
10 is located. The county auditor or auditors shall register the contract, lease, or bond
11 issue in the bond register in substantially the manner provided in section 21-03-23.
12 Upon the filing of the contract, lease, or bond issue with the county auditor or auditors,
13 the school district may not discontinue the levy and the levy must automatically be
14 included in the tax levy of the school district from year to year by the county auditor or
15 auditors until a sufficient sum of money has been collected to pay to the state
16 treasurer for the retirement of all obligations of the school district with the state board
17 of public school education or to pay to the custodian of the bond sinking fund all
18 amounts due or to become due on the bonds.

- 19 2. The school board of any school district, in levying taxes for a school building fund
20 which require voter approval as provided for in subsection 1, shall specify on the ballot
21 the number of mills to be levied and may in its discretion submit a specific plan for
22 which such fund shall be used. The plan shall designate the general area intended to
23 be served by use of such fund. The area intended to be served shall be described in
24 the plan but need not be described in the building fund ballot. After approval of the
25 levy and the plan no change shall be made in the purpose of expenditure of the
26 building fund except that upon a favorable vote of sixty percent of the qualified electors
27 residing in any specific area intended to be served, material changes may be made in
28 such plan as it affects such area to the extent such changes do not conflict with
29 contractual obligations incurred. The provisions of this section and of subsection 1 of
30 section 57-15-17 in regard to the purpose for which the building fund may be
31 expended shall not apply to expenditures for major repairs.

- 1 3. The governing body of a school district may levy a tax without voter approval to be
2 deposited in the school building fund if the levy is for an operating school building that
3 meets the age criteria in this subsection, to be calculated from the date of original
4 construction of the school building. The levy under this subsection must be applied
5 toward the levy limitation provided in subsection 1. The governing body of the school
6 district may levy up to:
- 7 a. One-half of one mill for a school building twenty-five to fifty years old.
8 b. One mill for a school building between fifty-one and seventy years old.
9 c. Two mills for a school building over seventy years old.

10 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
11 December 31, 2022.